

Assembly Bill No. 2666

Passed the Assembly August 25, 2010

Chief Clerk of the Assembly

Passed the Senate August 23, 2010

Secretary of the Senate

This bill was received by the Governor this _____ day
of _____, 2010, at _____ o'clock ____M.

Private Secretary of the Governor

CHAPTER _____

An act to add Section 19571 to the Revenue and Taxation Code, relating to taxation.

LEGISLATIVE COUNSEL'S DIGEST

AB 2666, Skinner. Corporation taxes: Franchise Tax Board: tax expenditures: Reporting Transparency in Government Internet Web site.

The Corporation Tax Law, which is administered by the Franchise Tax Board, authorizes various credits, deductions, exclusions, exemptions, and other tax benefits with respect to the taxes imposed by that law.

This bill would, for each taxable year on or after January 1, 2010, require the board to compile information on any tax expenditure claimed and reported by a taxpayer that is a publicly traded company, and would require, beginning on June 30, 2013, and by June 30 of each year thereafter, the board to submit the information to the State Chief Information Officer for publication on the Reporting Transparency in Government Internet Web site. This bill would require the State Chief Information Officer to develop on the Reporting Transparency in Government Internet Web site a searchable database of that information, as specified.

The people of the State of California do enact as follows:

SECTION 1. Section 19571 is added to the Revenue and Taxation Code, to read:

19571. (a) For each taxable year beginning on or after January 1, 2010, the Franchise Tax Board shall compile information on any tax expenditure, authorized under Part 11 (commencing with Section 23001), that is claimed and reported by a taxpayer that is a publicly traded company on the annual return required under Part 10.2 (commencing with Section 18401).

(b) For the purposes of this section:

(1) "Publicly traded company" means a company with securities that are either listed or admitted to trading on a national or foreign exchange, or are the subject of two-way quotations, such as both

bid and asked prices, that are regularly published by one or more broker-dealers in the National Daily Quotation Service or a similar service.

(2) “Tax expenditure” means a credit against the tax imposed under Part 11 (commencing with Section 23001).

(c) Beginning on June 30, 2013, and by June 30 of each year thereafter, the Franchise Tax Board shall submit the tax expenditure information compiled pursuant to subdivision (a) to the State Chief Information Officer for publication on the Reporting Transparency in Government Internet Web site.

(d) The State Chief Information Officer shall develop on the Reporting Transparency in Government Internet Web site a searchable database by company name and the amount of tax expenditures claimed, to increase public awareness of the amount and scope of tax expenditures for businesses in this state.

Approved _____, 2010

Governor